

**701—213.24(423) Sale, transfer or exchange of tangible personal property or taxable enumerated services between affiliated corporations.** The sales price of the sale, transfer or exchange of tangible personal property or taxable services among affiliated corporations, including but not limited to a parent corporation to a subsidiary corporation, for a consideration is subject to tax. A bookkeeping entry for an “account payable” qualifies as consideration as well as the actual exchange of money or its equivalent.

This rule is intended to implement Iowa Code section 423.1(50).  
[ARC 5201C, IAB 10/7/20, effective 11/11/20]